ShowBiz Pizza Time, Inc.

FRANCHISE NEWS

Issue #27 January 30, 1987

WEEKLY SALES

AVERAGES FOR WEEK ENDING 1/25/87

SPP Franchised Units (70): $12,623
SPP Company Units (90): $20,360
CEC Franchised Units (86): $16,394
CEC Company Units (28): $21,987

ShowBiz Pizza Place and Chuck E. Cheese

Average of Top 20 Units = $25,276

1. San Jose (Tully), CA — M.C.A. & Associates
2. Tacoma, WA — Northwest Partners V
3. Portland, OR — Computerized Entertainment Concepts
4. Burnaby, BC — Nintendo Entertainment Centres
5. Milwaukee (Chase), WI — R. C. Schmidt, Jr.
6. West Allis, WI — R. C. Schmidt, Jr.
7. El Toro, CA — F.E.C., Inc.
8. Florence, KY — Family Entertainment, Inc.
9. Victoria Park, ONT — All Canadian Pizza Shows
10. Pearl City, HI — Selwyn S. P. Chan
11. Bridgeville, PA — McKnight Family Centers
12. Louisville, KY — Family Entertainment, Inc.
13. Lafayette, LA — Acadiana Productions
14. Greece, NY — Pizza Time of New York
15. Phoenix #2 (Mesa), AZ — S-M Pizza
16. Brookfield, WI — R. C. Schmidt, Jr.
17. Victorville, CA — Backyard Investment Group, Inc.
18. Des Moines, IA — McBiz Corporation
19. Albany, NY — Pizza Time of New York
20. Honolulu, HI — Pal Anderson Enterprises

Chuck E. Cheese

Average of Top 20 Units = $25,698

1. San Jose (Tully), CA — M.C.A. & Associates
2. Tacoma, WA — Northwest Partners V
3. Portland, OR — Computerized Entertainment Concepts
4. Burnaby, BC — Nintendo Entertainment Centres
5. Milwaukee (Chase), WI — R. C. Schmidt, Jr.
6. West Allis, WI — R. C. Schmidt, Jr.
7. El Toro, CA — F.E.C., Inc.
8. Florence, KY — Family Entertainment Inc
9. Victoria Park, ONT — All Canadian Pizza Shows
10. Pearl City, HI — Selwyn S. P. Chan
11. Bridgeville, PA — McKnight Family Centers #3
12. Louisville #2, KY — Family Entertainment, Inc.
13. Greece, NY — Pizza Time of New York
14. Brookfield, WI — R. C. Schmidt, Jr.
15. Victorville, CA — Backyard Investment Group, Inc.
16. Albany, NY — Pizza Time of New York
17. Milwaukee (Good Hope), WI — Family Entertainment Center #7401
18. Akron, OH — Electronic Theatre Restaurants Corporation
19. Valencia, CA — ARC Pizza Holding Co.
20. Tukwila, WA — Northwest Partners IV

ShowBiz Pizza Place

Average of Top 20 Units = $18,526

1. Lafayette, LA — Acadiana Productions
2. Phoenix #2 (Mesa), AZ — S-M Pizza
3. Des Moines, IA — McBiz Corporation
4. Honolulu, HI — Pal Anderson Enterprises
5. Clarksburg, WV — Trio Foods Enterprises
6. Davenport, IA — McBiz Corporation
7. Chattanooga, TN — McBiz Corporation
8. Phoenix #1, AZ — S-M Pizza
9. Charleston, SC — McBiz Corporation
10. Fargo, ND — Great Plains Associates
11. Memphis #2, TN — McBiz Corporation
12. Parkersburg, WV — Trio Foods Enterprises
13. Columbia, SC — McBiz Corporation
14. Knoxville, TN — Gary Long
15. Cedar Rapids, IA — McBiz Corporation
16. Lexington, KY — McBiz Corporation
17. Wilmington, DE — McBiz Corporation
18. Springfield, MA — McBiz Corporation
19. Memphis #1, TN — McBiz Corporation
20. Cape Girardeau, MO — Pumezco

MARKETING & ADVERTISING

MARKETING/ADVERTISING DEADLINES

Note the following two deadlines for ordering or participating in programs:

February 2 - last day to sign up for the May 10 Co-Op Insert

February 6 - last day to order TV dubs of new commercials

Call the Corporate Marketing Department or your Franchise Representative if you have any question.

OPERATIONAL NEWS

#27

IMPORTANT DATES

Please mark your calendars with the following dates:

March 19, 1987 - Committee Meetings
Irving, TX
May 14 and 15, 1987 - Annual Convention
Dallas, TX Area

NIPPO TRAINS

The Nippo Trains on exhibit at the Orlando Meetings generated lots of interest. Mike Flynn, Fayetteville, AR, purchased one during the convention, and is very pleased with results so far. His train receives no less than 1000, and generally 1500 plays per week. Gene Cramm has put together a plan utilizing the buying strength created by our combined size. Attached you will find a memo from Gene outlining this offer with prices and an order form.

THIS OFFER IS IN EFFECT UNTIL FEBRUARY 25, 1987. Please complete the attached order form and return to Gene's office prior to February 25 if you are interested.

Mike Flynn's number is 501/521-2740 if you would like to discuss any questions with him.

800 #'s FOR DENNIS FOLAND

Please make note of the following 800 numbers for Dennis Foland:

800-247-5618 - (In California)
800-247-6839 - (Out of California)
(Includes HI and AK)

NEW PURCHASING EMPLOYEES

We would like to introduce and welcome two new employees in the Corporate Purchasing Department.

Terry Curry will be responsible for order entry. Terry is very familiar with our system and items used in ShowBiz/Chuck E. Cheese.

Kent Hoskin - Buyer, will be assisting Gene Cramm in negotiations with vendors and finding new products. Kent also is very familiar with our restaurants.

With Gene and Robin Downing, this brings the purchasing department to 4 people. Please call them with any problems, questions, or help that you need in getting supplies in your locations.

LOGOED MERCHANDISE

Following is a list of logoed merchandise in stock at Oriental Trading. You may order directly at the following numbers:

800-228-2269 - (Outside NE)
402-331-5511 - (In NE)
800-228-0475 - (Customer Service)

Order #	Item	Price
83/HUFF1	Fatz Flyers	$ 45/cs
83/APE26	BB Dolls	216/cs
83/APE27	Mitzi Dolls	216/cs
83/APE28	Fatz Dolls	216/cs
83/APE29	Beach Bear Dolls	216/cs
83/APE115	Mini Plyg. Card	2.60/dz
83/APE117	Billy B. Yoyo	2.00/dz
83/201	Mini SBPP BsktB	2.00/pc
83/MP18P3	Dook Keychain	4.50/dz
83/MP18P4	Fatz Keychain	4.50/dz
83/MP18P5	Mitzi Keychain	4.50/dz
83/MP18P6	Billy Keychain	4.50/dz

NEW MENU ITEMS

At the January 22 Committee Meetings, Marty Giardina, Director of Concept Development, reported on the roll out of Calzones and Bread Sticks in Company stores. Marty emphasized the success of the test was the result of planned and well executed implementation. Training was done from the cashier to the kitchen employee. Company stores will, therefore, be rolling these items over the next six weeks with a Trainer and District Manager in each unit. If you are interested in implementing either of these products, please call your Regional Director for assistance. Following are basic points from Marty's report.

ITALIAN CALZONES

The Calzones will be replacing the Torpedo sandwiches in Company stores. The major reasons for the change are:

1. Quality - Calzones are prepared more consistently than Torpedoes.

2. Better market recognition - Calzones are served by many restaurants, therefore, guests recognize what it is. Torpedoes did not have wide recognition.

3. Frequency builder - Calzones offer an alternative to pizza as a way of increasing frequency of guests.

During the 6 week test in the Dallas market, Calzones represented .9% of F&B sales, whereas Torpedos were at .5% of F&B sales. Food cost is running 17.9%. We are selling at $2.95. On customer surveys returned, 92% responding said they would order Calzones again.

BREAD STICKS

Bread Sticks were introduced as a sales builder, an add-on item. They are replacing Nachos in Company stores. During the 6 week test in the Dallas market, Bread Sticks represented .9% of F&B sales whereas Nachos represented only a .2% of F&B sales. Food cost is 24.9%, with a selling price of $1.50. Of the customers responding on surveys 91% said they would order Bread Sticks again.

CREATIVE ENGINEERING

Creative Engineering has decided to discontinue its Show Parts business. If you have placed an order with them and have not received it by Monday, February 2, 1987, consider your order cancelled. Re-order your parts through C.P.I., #(800)-843-2982.

BIRTHDAY WAVE

We have been requested by the Entertainment Committee to provide more information on the Wave Method used in scheduling birthday parties. As reported in the January 16 newsletter, the current and future show tape formats work best with this scheduling.

Adventure Restaurant Corporation (operators of the ShowBiz locations in Fayetteville, NC,; Virginia Beach; Manhattan; Charlotte; and Lynchburg) are still using the Wave method of scheduling parties since their implementation over three years ago. The Company implemented the Wave Method to enhance parties and increase customer value perception. A majority of customer complaints evolved around poor service at parties. When using the Wave Method, one hostess is scheduled for each party, thus increasing persona-lized service.

To use Wave scheduling, parties are booked at 2 hour intervals (ie 11:00; 1:00; 3:00, 5:00, etc) only. The advantages of this scheduling are:

1. Allows scheduling of hostesses at specific times.
2. Provides better service with 1 hostess per party.
3. Speeds table turn and setup. All tables are not set-up long in advance.
4. By synchronizing parties, a more festive atmosphere can be created, (ie all cakes delivered at once).
5. Eliminates the need for a birthday song for each party. One song can be for all parties at that time.

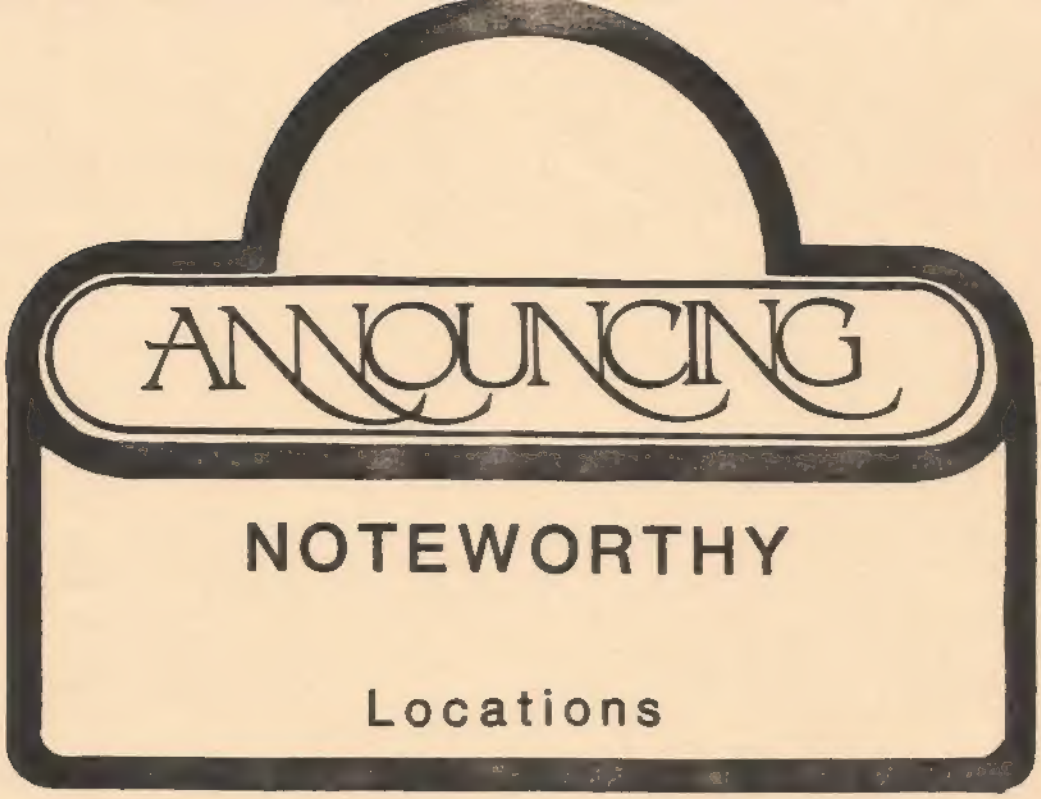
A "theoretical" party schedule following the format of the show would be similar to:

11:00	Party arrives, order placed
11:05	Show starts
11:20	Show ends (approximately) and pizza arrives
11:35	Second show starts
11:50	Show ends (approximately) and Parade of Cakes begins
11:52	Birthday announcement and song

By eliminating parties beginning at staggered times, confusion is reduced in the show room.

For further information, please contact your Regional Franchise Representative. A member of the Entertainment Committee will be contacting you within the next few weeks to discuss the new show format. In the meantime, please feel free to contact any of the Entertainment Committee members. They are:

Tom Pogemiller, CEC, 309/459-2111
Tim Kolb, CEC, 716/227-7250
Bryon Schlosser, SPP, 913/272-9004
Mike Flynn, SPP, 501/521-2740
Stan Black, Corporate, 214/258-8507



We would like to congratulate the following locations for earning a "NOTEWORTHY" on their quality assurance evaluation during the period 12-16-86 to 1-23-87:

TUKWILA, WA
Franchisee: Northwest Parners IV
Staff: Bob Davenport
Cheri Shoecraft
Dave Shattuck
Jeff Merrill

DAVENPORT, IA
Franchisee: McBiz
Staff: Bob Weil
Jeff Ranes
Sharon Miller
John Ludwig

JACKSONVILLE (REGENCY), FL
Franchisee: Wellington Development of Florida
Staff: Lori Griffith
James Bolin
Kathy Colomon
Lance Horne

JACKSONVILLE (ORANGE PARK), FL
Franchisee: Wellington Development of Florida
Staff: Glenn Thomas
Sheila Hammond
Lance Horne

CALGARY, AL
Franchisee: Delphi Investments, Ltd.
Staff: Liber
Bryan Kamp
Christie Mock
Rick Melsiechuck

NASHVILLE #1, TN
Franchisee: BAM, Inc.
Staff: Theresa Mumpower
Mike Holland
Lori Graves
Charlotte Mumpower
Jeff Loeb

NASHVILLE #2, TN
Franchisee: BAM, Inc.
Staff: Linette Garrett
Walter Webber
Jim Hagey

BILLINGS, MT
Franchisee: T'N'T Partnership
Staff: Lindy Stevens
Robert Reichert
Barb Willis
Bob Olson

BURNSVILLE, MN
Franchisee: Norcenco, Inc.
Staff: Chris Prichett
Brian Goring
Kelly Garrison
John Kroeger
Tim Bloom

FARGO, ND
Franchisee: Great Plains Associates
Staff: Mike Woytassek
Steve Eastvold
Tim Wanzeck

VICTORIA PARK, ON
Franchisee: All Canadian Pizza Shows, Ltd.
Staff: Derrik Miller
Lisa Willis
Derek Hunt
Carmelo Greco

DOWNSVIEW, ON
Franchisee: All Canadian Pizza Shows, Ltd.
Staff: Dan Wensley
Howard Mortrison
Chris Farrell
Tom Foroughian

SALINAS, CA
Franchisee: Ulrike-Grandjean Corp.
Staff: David Smyth
Ed Smith
Esther Frank
Glen Burnett

CONCORD, CA
Franchisee: Ulrike-Grandjean Corp.
Staff: Fred Hines
Susan Puckett
Steve Strashauffer

NEW HOPE, MN
Franchisee: Norcenco, Inc.
Staff: Mark Mineia
Wendy Sandbert
John Kroeger
Tim Bloom

GULFPORT, MS
Franchisee: Nelson Properties, Inc.
Staff: Dianne Morgan
Sam Morgan
Melvin Austin
Chuck Landis
David Loskamp

ShowBiz Pizza Time, Inc.

INTRACOMPANY CORRESPONDENCE

To: All Franchisees

From: Gene Cramm G.C.

Date: January 19, 1987

Subject: Nippo Trains

At the Mid-Year Convention, there was interest from several franchisees to purchase a Nippo train system utilizing the purchasing strength of the company.

In response to this request, we have arranged to once again purchase the same equipment with excellent pricing.

The attached product sheet from Nippo indicates the equipment pricing and the enclosed brochure indicates all specifications.

Due to the fact that these trains are shipped from Japan, the only feasible program Nippo could offer was based upon the purchase of ten complete units.

At this time, I would request that if you are interested in making a purchase of a train, you should fill out the form and mail it to my attention.

We have committed to utilizing the train currently in twelve company locations and this attraction has been dependable, steady earnings, and a pleasure for parents to offer young children a new ride not offered at other restaurants.

With our committment to this equipment, we realize that there may be less than ten franchisees that would like to participate at this time. We will commit that should a minimum of four franchisees express interest and guarantee a purchase, we will purchase the remaining six units for our locations to fill the container and allow you to utilize the cost savings from our purchases and negotiations.

The total price for the train not including freight from Los Angeles to your location will be $8300.00.

There has not been any price increase of the original unit at $7600.00, although it is my strong opinion that the additional decorations and the turf are an added value to the train in your location.

We will look forward to hearing from you shortly and if you have any questions that arise, please contact me.

This offer will be in effect until February 25th, 1987 for each franchise location.

Best regards!

Gene Cramm
V.P./Director of Purchasing

GC/rdd

NIPPO
Nippo U.S.A. 1380 Lone Oak Road
Eagan, MN 55121
Phone:
(612) 221-9088
Teletacsimile phone:
(612) 221-9088

Put Your Money Where The Fun Is

Your Ref.:

Our Ref.: TS - 636

Mr. Gene Cramm
Showbiz Pizza Time, Inc.
4441 W. Airport Frwy.
Irving, TX 75062

1 - 14 - 87

Dear Gene,

Please note the following written verification of confirmation on a one time only price estimate for 1 Twin Circle Train, 1 Turf, 1 Policeman & 1 Dog:

	Price
1 Twin Circle Train	$7,600.00
1 Green Turf	$300.00
1 Policeman	$200.00
1 Dog	$200.00

The above prices for the Green Turf, Policeman & Dog cannot be guaranteed for future orders.

1 Twin Circle Train would include following:

a) Coin Mechanism: Detects both quarters & tokens - attached on outside

b) Platform: Guard equipped so won't project outside - Same platform as shown in Orlando, Florida

c) Arcade TV game type pushbutton system (for antitheft)

d) Reposition SL 100 front wheels so they wnn't move up/down while moving (redesign feature)

e) Sound boxes: Equipped with melodies such as " I've Been Working On The Railroad" plus 2 other American melodies

f) Coin Box: Same as shown in Orlando, Florida

g) Steamer Units: Will try to make easier access for maintenance purposes but can't guarantee at this time

Delivery: Shiipped ex factory 40 days from receipt of order
4-5 days for Customs (Japan)
Approx. 15 days from Japan to LA
4-5 days US Customs Total: 65 days

Sincerely,

Tom Shields

Thomas E. Shields
Nippo U.S.A.

SHOWBIZ PIZZA TIME, INC.

ShowBiz Pizza Place® · Chuck E. Cheese®

4441 West Airport Freeway, Irving, TX 75062

214/258-8507

NIPPO TRAIN PURCHASE

FRANCHISE ENTITY NAME: _____

FRANCHISE LOCATION: _____

FRANCHISE LOCATION NUMBER: _____

I am interested in purchasing a new Nippo Train for the location listed above.

All payments will be made to ShowBiz Pizza Time, Inc. prior to the delivery of the train to my location.

SIGNED: _____

TITLE: _____

DATE: _____

ALL ORDERS MUST BE RECEIVED BY FEBRUARY 25, 1987.

SPT, INC. FRANCHISE NEWS

(Issue #27 - January 30, 1987)

Date of Origin: 1987
Archived: 8-12-20
Submission by Sptweb
Version 1.0

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